

# **GOVERNMENT CODE**

## **PART 7.2 HEALTH FACILITIES FINANCING AUTHORITY ACT**

### **15432. Definitions**

As used in this part, the following words and terms shall have the following meanings, unless the context clearly indicates or requires another or different meaning or intent:

(a) "Act" means the California Health Facilities Financing Authority Act.

(b) "Authority" means the California Health Facilities Financing Authority created by this part or any board, body, commission, department, or officer succeeding to the principal functions thereof or to which the powers conferred upon the authority by this part shall be given by law.

(c) "Cost," as applied to a project or portion of a project financed under this part, means and includes all or any part of the cost of construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or used for a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which those buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to, during, and for a period not to exceed the later of one year or one year following completion of construction, as determined by the authority, the cost of funding or financing noncapital expenses, reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations and improvements, the cost of engineering, reasonable financial and legal services, plans, specifications, studies, surveys, estimates, administrative expenses, and other expenses of funding or financing or necessary or incident to determining the feasibility of constructing, any project or incident to the construction or acquisition or financing of any project.

(d) "Health facility" means any facility, place, or building which is organized, maintained, and operated for the diagnosis, care, prevention, and treatment of human illness, physical or mental, or developmental disability, including convalescence and rehabilitation and including care during and after pregnancy, or for any one or more of these purposes, for one or more persons, to which the persons are admitted for a 24-hour stay or longer, except in the cases of county outpatient facilities, adult day care facilities, as defined under paragraph (2) of subdivision (a) of Section 1502 of the Health and Safety Code, which provide services to developmentally disabled or mentally impaired persons, community clinics, as defined in paragraph (6), and child day care facilities, as defined in paragraph (10), and includes all of the following types:

(1) A general acute care hospital which is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour inpatient care, including the following basic services: medical, nursing, surgical, anesthesia, laboratory, radiology, pharmacy, and dietary services.

(2) An acute psychiatric hospital which is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour inpatient care for mentally disordered,

incompetent, or other patients referred to in Division 5 (commencing with Section 5000) or Division 6 (commencing with Section 6000) of the Welfare and Institutions Code, including the following basic services: medical, nursing, rehabilitative, pharmacy, and dietary services.

(3) A skilled nursing facility which is a health facility which provides the following basic services: skilled nursing care and supportive care to patients whose primary need is for availability or skilled nursing care on an extended basis.

(4) An intermediate care facility which is a health facility which provides the following basic services: inpatient care to ambulatory or semiambulatory patients who have recurring need for skilled nursing supervision and need supportive care, but who do not require availability or continuous skilled nursing care.

(5) A special health care facility which is a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical or dental staff which provides inpatient or outpatient, acute or nonacute care, including, but not limited to, medical, nursing, rehabilitation, dental or maternity.

(6) A community clinic which is a clinic operated by a tax-exempt nonprofit corporation which is supported and maintained in whole or in part by donations, bequests, gifts, grants, government funds or contributions, which may be in the form of money, goods, or services. In a community clinic, any charges to the patient shall be based on the patient's ability to pay, utilizing a sliding fee scale. No corporation other than a nonprofit corporation, exempt from federal income taxation under paragraph (3) of subsection (c) of Section 501 of the Internal Revenue Code of 1954 as amended<sup>1</sup>, or a statutory successor thereof, shall operate a community clinic. However, the licensee of any community clinic so licensed on September 26, 1978, shall not be required to obtain tax-exempt status under either federal or state law. No natural person or persons shall operate a community clinic.

(7) An adult day health center which is a facility, as defined under subdivision (b) of Section 1570.7 of the Health and Safety Code, which provides adult day health care, as defined under subdivision (a) of Section 1570.7 of the Health and Safety Code.

(8) Any other type of facility for the provision of inpatient or outpatient care which is a county health facility, as defined in subdivision (a) of Section 16715 of the Welfare and Institutions Code, (without regard to whether funding is provided for the facility under that section).

(9) A multilevel facility is an institutional arrangement where a residential facility for the elderly is operated as a part of, or in conjunction with, an intermediate care facility, a skilled nursing facility, or a general acute care hospital. "Elderly," for the purposes of this paragraph, means a person 62 years of age or older.

(10) A child day care facility operated in conjunction with a health facility. A child day care facility is a facility, as defined in Section 1596.750 of the Health and Safety Code. For purposed of this paragraph, "child" means a minor from birth to 18 years of age.

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<sup>1</sup> 26 U.S.C.A. § 501.

(11) An intermediate care facility/developmentally disabled habilitative which is a health facility, as defined under subdivision (e) of Section 1250 of the Health and Safety Code.

(12) An intermediate care facility/developmentally disabled-nursing which is a health facility, as defined under subdivision (h) of Section 1250 of the Health and Safety Code.

(13) A community care facility which is a facility, as defined under subdivision (a) of Section 1502 of the Health and Safety Code, which provides care, habilitation, rehabilitation, or treatment services to developmentally disabled or mentally impaired persons.

(14) A nonprofit community care facility, as defined in subdivision (a) of Section 1502 of the Health and Safety Code, other than a facility which, as defined in that subdivision, is a residential facility for the elderly, a foster family agency, a foster family home, a full service adoption agency, or a noncustodial adoption agency.

(15) A nonprofit accredited community work-activity program, as specified in subdivision (e) of Section 19352 and Section 19355 of the Welfare and Institutions Code.

"Health facility" includes a clinic which is described in subdivision (l) of Section 1206 of the Health and Safety Code.

"Health facility" includes the following facilities, if operated in conjunction with one of more of the above types of facilities: a laboratory, laundry, nurses or interns residence, housing for staff or employees and their families, patients or relatives of patients, physicians' facility, administration building, research facility, maintenance, storage, or utility facility and all structures or facilities related to any of the foregoing or required or useful for the operation of a health facility, and the necessary and usual attendant and related facilities and equipment and including parking and supportive service facilities or structures required or useful for the orderly conduct of such health facility.

"Health facility" also includes: (i) an insurance company or insurance program organized pursuant to subdivision (q) of Section 15438; or (ii) the funding of reserves (including insurance or capital reserves), or payment of premiums to, a reciprocal insurance company or one or more participating health institutions if the funds are used in connection with one or more of the above types of facilities: liability insurance or self-insurance, for a participating health institution, including reserves therefor, and other funds necessary or usual and appropriate in connection therewith.

"Health facility" does not include any institution, place, or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship.

(e) "Participating health institution" means a city, city and county, county, a district hospital, or a private nonprofit corporation or association authorized by the laws of this state to provide or operate a health facility and which, pursuant to the provisions of this part, undertakes the financing or refinancing of the construction or acquisition of a project or of working capital as provided in this part.

(f) "Project" means construction, expansion, remodeling, renovations, furnishing, or equipping, or funding or financing of a health facility or acquisition of a health facility to be financed or refinanced with funds provided in whole or in part to this part. "Project" may include any combination of one or more of the foregoing undertaken jointly by any participating health institution with one or more other participating health institutions.

(g) "Working capital" means moneys to be used by, or on behalf of, a participating health institution to pay or prepay maintenance or operation expenses or any other costs that would be treated as an expense item, under generally accepted accounting principles, in connection with the ownership or operation of a health facility, including, but not limited to, reserves for maintenance or operation expenses, interest for not to exceed one year on any loan for working capital made pursuant to this part, and reserves for debt service with respect to, and any costs necessary or incidental to, that financing.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1980, c. 911, 1, eff. Sept. 17, 1980; Stats. 1982, c. 1351, 2.1, operative Jan. 1, 1981; Stats. 1982, c. 156, p. 519, 1, eff. April 9, 1982; Stats. 1983, c. 665, 1; Stats. 1983, c. 1228, 1, eff. Sept. 30, 1983; Stats. 1983, c. 1242, 1.7, operative Jan. 1, 1984; Stats. 1985, c. 349, 4, eff. July 29, 1985; Stats. 1985, c. 829, 1, eff. Sept. 19, 1985; Stats. 1985, c. 1346, 1, eff. Oct. 1, 1985; Stats. 1986, c. 39, 1, eff. March 31, 1986; Stats. 1987, c. 1426, 2, eff. Sept. 30, 1987; Stats. 1988, c. 691, 1; Stats. 1989, c. 505, 1.)

#### **15436. Quorum; open meetings; publication of resolutions; delegation of powers**

Five members of the authority shall constitute a quorum. The affirmative vote of a majority of a quorum shall be necessary for any action taken by the authority. A vacancy in the membership of the authority shall not impair the right of a quorum to exercise all the rights and perform all the duties of the authority. Each meeting of the authority shall be open to the public and shall be held in accordance with the provisions of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1). Resolutions of the authority need not be published or posted. The authority may delegate by resolution to one or more of its members or its executive director such powers and duties as it may deem proper. The authority may delegate to the executive director the power to enter contracts on behalf of the authority.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1983, c. 1242, 2; Stats. 1991, c. 919, 6; Stats. 1992, c. 509, 4; Stats. 1993, c. 589, 70.)

#### **15438. Powers (subsection (q) only)**

Subject to the conditions, restrictions, and limitations of Section 15438.1, the authority may do any of the following:

(a) . . .

(q) Establish and maintain a reciprocal insurance company or an insurance program that shall be treated and licensed as a reciprocal insurance company for regulatory purposes under the Insurance Code on behalf of one or more participating health institutions, to provide for payment of judgments, settlement of claims, expense, loss and damage that arises, or is claimed to have arisen, from any act or omission of, or attributable to, the participating health institution or any nonprofit organization controlled by, or controlling or under common control with, the participating health institution, their

employees, agents or others for whom they may be held responsible, in connection with any liability insurance (including medical malpractice); set premiums, ascertain loss experience and expenses and determine credits, refunds, and assessments; and establish limits and terms of coverage; and engage any expert or consultant it deems necessary or appropriate to manage or otherwise assist with the insurance company or program; and pay any expenses in connection therewith; and contract with the participating health institution or institutions for insurance coverage from the insurance company or program and for the payment of any expenses in connection therewith including any bonds issued to fund or finance the insurance company or program.

**15438.2. Child day care facility; term of lease to be as long as or greater than term of loan; insurability under California health facility construction loan insurance law.**

(a) When capital outlay funds are granted on property which is leased for a child day care facility, the term of the lease shall be as long as, or greater than, the term of the loan.

(b) Child day care facilities shall be insurable under the California Health Facility Construction Loan Insurance Law.

(Added by Stats. 1985, c. 829, 2, eff. Sept. 19, 1985.)

**15438.5. Legislative intent; revenue bonds and other financing; self insurance pooling program; bond rating guidelines; enforcement conditions**

(a) It is the intent of the Legislature in enacting this part to provide financing only, and, except as provided in subdivision (b), (c), and (d) only to health facilities which can demonstrate the financial feasibility of their projects without regard to the more favorable interest rates anticipated through the issuance of revenue bonds under this part. It is further the intent of the Legislature that all or part of any savings experienced by a participating health institution, as a result of that tax-exempt revenue bond funding, be passed on to the consuming public through lower charges or containment of the rate of increase in hospital rates. It is not the intent of the Legislature in enacting this part to encourage unneeded health facility construction. Further, it is not the intent of the Legislature to authorize the authority to control or participate in the operation of hospitals, except where default occurs or appears likely to occur.

(b) When determining the financial feasibility of projects for county health facilities, the authority shall consider the more favorable interest rates reasonably anticipated through the issuance of revenue bonds under this part. It is the intent of the Legislature that the authority attempt in whatever ways possible to assist counties to arrange projects which will meet the financial feasibility standards developed under this part.

(c) The authority may issue revenue bonds pursuant to this part to finance the development of a multilevel facility, or any portion of a multilevel facility, including the portion licensed as a residential facility for the elderly, if the skilled nursing facility, intermediate care facility, or general acute care hospital is operated or provided by an eligible participating health institution.

(d) The authority may issue revenue bonds pursuant to this part, if the bonds rank in either of the two highest rating categories established by a nationally recognized bond rating organization, to finance working capital for a participating health institution provided

or operated by a city, city and county, county, or district hospital authorized by the laws of this state to provide or operate a health facility and which, pursuant to this part, undertakes financing or refinancing as provided in this part.

(e) The financing or refinancing of projects or working capital for cities, cities and counties, counties, or hospital districts may be provided pursuant to this part by means other than revenue bonds, at the discretion of the authority, including, without limitation, through certificates of participation, or other interests, in bonds, loans, leases, installment sales or other agreements of the cities, city and county, counties or hospital districts. In this connection, the authority may do all things and execute and deliver all documents and instruments as may be necessary or desirable in connection with issuance of the certificates of participation or other means of financing or refinancing.

(f) Any self-insurance pooling program entered into by participating health institutions which are cities, counties, cities and counties, or hospital districts which is funded or financed in whole or in part with proceeds of the sale of revenue bonds or certificates of participation pursuant to this part shall not be subject to regulation of any kind under the Insurance Code or otherwise as insurance, but only any conditions and restrictions as may be imposed by the authority.

(g) If a health facility seeking financing for a project pursuant to this part does not meet the guidelines established by the authority with respect to bond rating, the authority may nonetheless give special consideration, on a case-by-case basis, to financing the project if the health facility demonstrates to the satisfaction of the authority the financial feasibility of the project, and the performance of significant community service. For the purposes of this part, a health facility which performs a significant community service is one that contracts with Medi-Cal or that can demonstrate, with the burden of proof being on the health facility, that it has fulfilled at least two of the following criteria:

(1) On or before January 1, 1991, has established, and agrees to maintain, a 24-hour basic emergency medical service open to the public with a physician and surgeon on duty, or is a children's hospital as defined in Section 14087.21 of the Welfare and Institutions Code, which jointly provides basic or comprehensive emergency services in conjunction with another licensed hospital. This criterion shall not be utilized in a circumstance where a small and rural hospital, as defined in Section 442.2 of the Health and Safety Code, has not established a 24-hour basic emergency medical service with a physician and surgeon on duty; or will operate a designated trauma center on a continuing basis during the life of the revenue bonds issued by the authority.

(2) Has adopted, and agrees to maintain on a continuing basis during the life of the revenue bonds issued by the authority, a policy, approved and recorded by the facility's board of directors, of treating all patients without regard to ability to pay, including, but not limited to, emergency room walk-in patients.

(3) Has provided and agrees to provide care, on a continuing basis during the life of the revenue bonds issued by the authority, to Medi-Cal and uninsured patients in an amount not less than 5 percent of the facility's adjusted inpatient days as reported on an annual basis to the Office of Statewide Health Planning and Development.

(4) Has budgeted at least 5 percent of its net operating income to meeting the medical needs of uninsured patients and to providing other services, including, but not limited to, community education, primary care outreach in ambulatory settings, and unmet

nonmedical needs, such as food, shelter, clothing, or transportation for vulnerable populations in the community, and agrees to continue that policy during the life of the revenue bonds issued by the authority.

On or before January 1, 1992, the authority shall report to the Legislature regarding the implementation of this subdivision. The report shall provide information on the number of applications for financing sought under this subdivision, the number of applications approved and denied under this subdivision, and a brief summary of the reason for any denial of an application submitted under this subdivision.

(h) Enforcement of the conditions under which the authority issues bonds pursuant to this section shall be governed by the enforcement conditions under Section 15459.4

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1980, c. 1351, 3; Stats. 1983, c. 1228, 2, eff. Sept. 30, 1983; Stats. 1985, c. 1346, 3, eff. Oct. 1, 1985; Stats. 1986, c. 842, 2, eff. Sept. 17, 1986; Stats. 1987, c. 1426, 4, eff. Sept. 30, 1987; Stats. 1990, c. 628, 1.)

#### **15441. Revenue Bonds**

(a) The authority is authorized, from time to time, to issue its negotiable revenue bonds in order to provide funds for achieving any of its purposes under this part.

(b) Except as may otherwise be expressly provided by the authority, each of its revenue bonds shall be payable from any revenues or moneys of the authority available therefor and not otherwise pledged, subject only to any agreements with the holders of particular bonds or notes pledging any particular revenues or moneys. Notwithstanding that such revenue bonds may be payable from a special fund, they shall be and be deemed to be for all purposes negotiable instruments, subject only to the provisions of such bonds for registration.

(c) The authority's revenue bonds may be issued as serial bonds or as term bonds, or the authority, in its discretion, may issue bonds of both types. The issuance of all revenue bonds shall be authorized by resolution of the authority and shall bear such date or dates, mature at such time or times, not exceeding 40 years from their respective dates, bear interest at such rate or rates, be payable at such time or times, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as the indenture, trust agreement, or resolution relating to such revenue bonds may provide. The authority's revenue bonds or notes may be sold by the Treasurer at public or private sale, after giving due consideration to the recommendation of the participating health institution, for such price or prices and upon such terms and conditions as the authority shall determine. The Treasurer may sell any such revenue bonds at a price below the par value thereof. However, the discount on any bonds so sold shall not exceed 6 percent of the par value thereof, except in the case of any bonds payable in whole or in part from moneys held under one or more outstanding resolutions or indentures. Pending preparation of the definitive bonds, the authority may issue interim receipts or certificates of temporary bonds which shall be exchanged for such definitive bonds.

(d) Any resolution or resolutions authorizing the issuance of any revenue bonds or any issue of revenue bonds may contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized, as to pledging all or any part of the

revenues of a project or any revenue-producing contract or contracts made by the authority with any individual, partnership, corporation or association or other body, public or private, to secure the payment of the bonds or of any particular issue of bonds.

(e) Neither the members of the authority nor any person executing the revenue bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

(f) The authority shall have power out of any funds available therefor to purchase its bonds. The authority may hold, pledge, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1983, c. 1242, 3; Stats. 1987, c. 1426, 5, eff. Sept. 30, 1987.)

**15446. Refunding bonds; proceeds; placement in escrow pending use; investment; application of balance, interest income, or profits**

(a) The authority may provide for the issuance of bonds of the authority for the purpose of refunding any bonds or any series or issue of bonds of the authority then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption, purchase, or maturity of the bonds.

(b) The proceeds of any bonds issued for the purpose of refunding of outstanding bonds may, in the discretion of the authority, be applied to the purchase, redemption prior to maturity, or retirement at maturity of any outstanding bonds on their earliest redemption date or dates, upon their purchase or maturity, or paid to a third person to assume the authority's obligation to make the payments, and may, pending that application, be placed in escrow to be applied to the purchase, retirement at maturity, or redemption on the date or dates determined by the authority.

(c) Any proceeds placed in escrow may, pending their use, be invested and reinvested in obligations or securities authorized by resolutions of the authority, payable or maturing at the time or times as are appropriate to assure the prompt payment of the principal, interest, and redemption premium, if any, of the outstanding bonds to be refunded at maturity or redemption of the bonds to be refunded either at their earliest redemption date or dates or any subsequent redemption date or dates or for payment of interest on the refunding bonds on or prior to the final date of redemption or payment of the bonds to be refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of the proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the authority for use by the authority.

(d) All of the refunding bonds are subject to this part in the same manner and to the same extent as other bonds issued pursuant to this part.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1985, c. 1033, 5, eff. Sept. 27, 1985; Stats. 1987, c. 1426, 6, eff. Sept. 30, 1987.)

**15453. Bonds; maximum amount outstanding**



The total amount of bonds which may be outstanding at any one time under this part shall not exceed seven hundred sixty-seven million dollars (\$767,000,000). Bonds that are refunded pursuant to Section 15446 or for which money or securities in amounts necessary to pay or redeem the principal, interest, and any redemption premium thereon otherwise have been deposited in trust shall not be deemed outstanding for the purposes of this section.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1980, c. 663, 1; Stats. 1985, c. 1033, 6, eff. Sept. 27, 1985.)

**15453.5. Bonds; maximum amount of outstanding; increase**

Notwithstanding Section 15453, the total amount of bonds which may be outstanding at any one time is hereby increased by an amount not exceeding seven hundred sixty-seven million dollars (\$767,000,000). Bonds that are refunded pursuant to Section 15446 or for which moneys or securities in amounts necessary to pay or redeem the principal, interest, and any redemption premium thereon otherwise have been deposited in trust shall not be deemed outstanding for the purposes of this section.

(Added by Stats. 1982, c. 1569, p. 6179, 1. Amended by Stats. 1983, c. 1242, 4; Stats. 1985, c. 1033, 7, eff. Sept. 27, 1985.)

**15453.6. Bonds; maximum amount outstanding; increase**

Notwithstanding Section 15453 or 15453.5, the total amount of bonds which may be outstanding at any one time is hereby increased by an amount not exceeding eight hundred seventy-five million dollars (\$875,000,000). Bonds that are refunded pursuant to Section 15446 or for which moneys or securities in amounts necessary to pay or redeem the principal, interest, and any redemption premium thereon otherwise have been deposited in trust shall not be deemed outstanding for the purposes of this section.

(Added by Stats. 1984, c. 372, 1, eff. July 10, 1984. Amended by Stats. 1985, c. 1033, 8, eff. Sept. 27, 1985.)

**15453.7. Bonds; maximum amount outstanding; increase**

Notwithstanding Section 15453, 15453.5, or 15453.6, the total amount of bonds which may be outstanding at any one time is hereby increased by an amount not exceeding nine hundred sixty-five million dollars (\$965,000,000). Bonds that are refunded pursuant to Section 15446 or for which moneys or securities in amounts necessary to pay or redeem the principal, interest, and any redemption premium thereon that have been deposited in trust shall not be deemed outstanding for the purposes of this section.

(Added by Stats. 1985, c. 349, 6, eff. July 29, 1985. Amended by Stats. 1985, c. 1346, 4.5, eff. Oct. 1, 1985; Stats. 1986, c. 842, 4, eff. Sept. 17, 1986.)

**15454. Bonds; exclusion from limitations on amount of outstanding bonds; types of projects and liability insurance coverage**

Notwithstanding Section 15453, bonds issued pursuant to this part shall not be subject to the limitation of, or be considered or included in computing the amount of outstanding bonds for purposes of, Section 15453, 15453.5, 15453.6, or 15453.7, or any

similar provision regarding the maximum amount of outstanding bonds, if issued to finance any of the following:

(a) A project which is, or is for, a county health facility, as defined in subdivision (a) of Section 16715 Welfare and Institutions Code, without regard to whether funding is provided for the project under that section.

(b) A project which is, or is for, an adult day health center.

(c) A project which is, or is for, a multilevel facility.

(d) A project or working capital for a city, city and county, county, or hospital district pursuant to Section 15462 or 15462.5.

(e) Liability insurance coverage for one or more participating health institutions or self-insurance for a participating health institution.

(Added by Stats. 1980, c. 1351, 3.5. Amended by Stats. 1983, c. 1228, 3, eff. Sept. 30, 1983; Stats. 1985, c. 1346, 5, eff. Oct. 1, 1985; Stats. 1986, c. 842, 6, eff. Sept. 17, 1986; Stats. 1987, c. 1426, 8, eff. Sept. 30, 1987.)

**15455. Construction of part; supplemental and additional nature; exception for issuance of bonds; financing project pursuant to part, not exemption from other applicable law**

(a) This part shall be deemed to provide a complete, additional, and alternative method for doing the things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws; provided, that the issuance of bonds and refunding bonds under the provisions of this chapter need not comply with the requirements of any other law applicable to the issuance of bonds, including without limitation the provisions of Division 13 (commencing with Section 21000) of the Public Resources Code.

(b) Except as provided in subdivision (a), the financing of a project pursuant to this part shall not exempt a project from any requirement of law which otherwise would be applicable to the project.

(Added by Stats. 1979, c. 1033, 1. Amended by Stats. 1983, c. 1242, 5.)

**15462. Issuance of bonds to or borrowing from authority to secure financing of projects or working capital**

Exclusively for the purpose of securing the financing of projects or working capital pursuant to this part through the issuance of revenue bonds, certificates of participation, or other means, and notwithstanding any other provision of law, any city, city and county, county, or local hospital district may issue bonds to the authority or borrow money from the authority at the interest rate or rates, with the maturity date or dates, payment, security, default, remedy, and other terms as specified in the bonds of the city, city and county, county, or local hospital district or a loan, loan purchase, or other agreement between the authority and the city, city and county, county, or hospital district, and the city, city and county, county or hospital district may enter into any agreement for liquidity or credit enhancement or any other agreement or instrument that may be necessary or appropriate

in connection with any of the foregoing. This section provides a complete, additional and alternative method for performing the acts authorized by this section, and the borrowing of money from the authority, and any provisions for payment or security or any agreement for liquidity or credit enhancement in connection with the borrowing of money pursuant to this section need not comply with the requirements of any other law applicable to borrowing by a city, county, city and county, or hospital district.

(Added by Stats. 1983, c. 1242, 6. Amended by Stats. 1985, c. 1346, 6, eff. Oct. 1, 1985; Stats. 1986, c. 842, 12, eff. Sept. 17, 1986; Stats. 1987, c. 1426, 9, eff. Sept. 30, 1987.)

**15462.5. Sale or lease from and to authority of health facilities; purpose**

Exclusively for the purpose of securing the financing of projects pursuant to this part or through the issuance of revenue bonds, certificates of participation, or other means, and notwithstanding any other law, any city, city and county, county, or hospital district may buy or lease health facilities from the authority, and in connection therewith, sell or lease health facilities to the authority, in each case with the installment payment or rental provisions, term, payment, security, default, remedy, and other terms or provisions as may be specified in the installment sale, lease, or other agreement or agreements, between the authority and the city, city and county, county, or hospital district, and the city, city and county, county, or hospital district may enter into any agreement for liquidity or credit enhancement it may deem necessary or appropriate in connection therewith. This section provides a complete, additional, and alternative method for performing the acts authorized by this section, and any sale or lease of health facilities to the authority, any purchase or lease of health facilities from the authority, and any provisions for payment and security or any agreement for liquidity or credit enhancement in connection therewith, pursuant to this section, need not comply with the requirements of any other law applicable to sale, purchase, lease, pledge, encumbrance, or credit, as the case may be, by a city, city and county, county, or hospital district.

(Added by Stats. 1985, c. 1119, 1, eff. Sept. 28, 1985. Amended by Stats. 1986, c. 842, 13, eff. Sept. 17, 1986; Stats. 1987, c. 1426, 10, eff. Sept. 30, 1987.)

**87104. *[Conflict of interest by public official, including member of advisory committee]***

(a) No public official of a state agency shall, for compensation, act as an agent or attorney for, or otherwise represent, any other person by making any formal or informal appearance before, or by making any oral or written communication to, his or her state agency or any officer or employee thereof, if the appearance or communication is made for the purpose of influencing action on a contract, grant, loan, license, permit, or other entitlement for use.

(b) For purposes of this section, a "public official" is any person defined in Section 82048, and every member of any advisory committee of a state agency, whether the committee is created by statute or otherwise.

(Added by Stats. 1994, c. 414, p. 5, 3, eff. Sept. 1, 1994, Senate Bill No. 1705.)